

PUBLIC HEARING

ON

**B17-1034, “The Urban Institute Real Property Tax
Abatement Act of 2008”**

**Before the
Committee on Finance and Revenue
Council of the District of Columbia**

The Honorable Jack Evans, Chairman

**December 10, 2008, 11:00 a.m.
Council Chamber, John A. Wilson Building**



**Testimony of
John P. Ross**

**Senior Advisor and Director of Economic Development Finance
Office of the Chief Financial Officer**

**Natwar M. Gandhi
Chief Financial Officer
Government of the District of Columbia**

Good morning, Chairman Evans and Members of the Committee on Finance and Revenue. My name is John Ross, Senior Advisor and Director of Economic Development Finance for the Office of the Chief Financial Officer (OCFO). I am pleased to testify for the Office of the Chief Financial Officer on The Urban Institute Real Property Tax Abatement Act of 2008.

The proposed legislation would abate real property taxes on the portion of the real property in Lot 840, Square 673 that is owned by The Urban Institute. The abatement would range from \$200,000 in 2010 to \$2.1 million in 2019.

According to the Office of the Deputy Mayor for Planning and Economic Development, The Urban Institute plans to purchase between 100,000 and 110,000 square feet in an office building located in Lot 840, Square 673.

The exemption will remain in place for 10 years as long as:

1. The Urban Institute owns and occupies the property;

2. The Urban Institute leases at least 10,000 square feet of the property to 501(c)(3) tenants at below-market rates and the tenants use the leased property for exempt purposes; and
3. The Urban Institute files a report with the District that details the uses of the exempt property.

The tax abatement would result in a fiscal impact of \$200,000 in FY 2010, with a total impact of \$1.75 million during the FY 2009 through FY 2012 financial plan period, and a total cost of \$15 million during the 10-year abatement period.

Thank you for the opportunity to testify. This concludes my testimony and I am happy to answer any questions you have at this time.